

Request for Proposals

Program Administration for Set the PACE St. Louis, a Property Assessed Clean Energy (PACE) Program

Clean Energy Development Board of the City of St. Louis

Purpose

The Clean Energy Development Board (CEDB) of the City of St. Louis is issuing a Request for Proposals (RFP) to solicit proposals from organizations to serve as a Program Administrator for the City of St. Louis' Set the PACE program. **The expected contract start date is May 1, 2016.** A successful applicant(s) will provide CEDB with a solution(s) for the implementation, administration, and financing mechanisms for the Set the PACE program. The Program Administrator will be expected to manage the program in accordance with the expectations set forth and any rules that are adopted by the CEDB. Certain expectations are outlined in the Request for Proposals.

To date, Set the PACE St. Louis has predominantly completed commercial projects. The CEDB has a strong interest in not only continuing to grow the commercial aspect of the program, but to also expand to include residential, municipal, and institutional projects. Respondents are encouraged to address all categories of PACE projects in their proposals.

Background

Property Assessed Clean Energy, otherwise referred to as PACE, can assist property owners in making clean energy, energy efficiency, and environmental health and safety investments, and improve the quality of our shared environment, by reducing financial and other barriers to implementation.

Missouri PACE legislation was signed into law on July 12, 2010. The PACE statute can be found in the Missouri Revised Statutes Chapter 67.2800 (the "Statute") or by visiting the General Assembly website at:

<http://www.moga.mo.gov/mostatutes/stathtml/06700028001.html>

The City of St. Louis established the Set the PACE St. Louis program in December 2011, under Ordinance No. 69056. The ordinance established a Clean Energy Development District and associated Board to administer a PACE program within the City of St. Louis. The enacting ordinance can be found here:

<http://www.slpl.lib.mo.us/cco/ords/data/ord9056.htm>

As part of the launch of the Set the PACE St. Louis Program, the City of St. Louis determined:

- Investing in energy efficiency, water efficiency, and renewable energy improvements is financially beneficial over time, good for the environment, and aligned with the City's triple bottom line sustainability initiative;
- Upfront costs are a barrier to investments in major energy improvements for both commercial and residential property owners;
- There are few financing options available that combine easy qualification, an attractive interest rate, and a relatively long repayment term;

Request For Proposals for the Set the PACE St. Louis Program Administrator

General Program Requirements

It is the goal of the Set the PACE St. Louis Program to utilize funding per statute RSMo 67.2800-2835 in such a manner as to effectively encourage building owners to invest in renewable energy and upgrading the efficiency of their buildings.

This funding will be available to owners of property located within the City of St. Louis and subject to the restrictions as set forth in the Statute and in accordance with any rules or guidelines as determined by the CEDB

A PACE lien will be senior to all liens on the property in existence at the time the PACE lien is filed, subject to the consent of the senior mortgage holder on the property; senior to all liens filed or recorded after the time the PACE lien is created; but junior to a municipal tax lien.

Missouri requires lender consent for PACE Assessments. The Program Administrator will be required to obtain lender consent for PACE projects.

Contract Term

The **expected contract start date is May 1, 2016**. The term of the contract shall be three (3) years commencing upon execution by CEDB, unless sooner terminated or extended, in whole or in part, as provided in the final contract. CEDB shall have the option to extend the Contract term for up to two (2) additional one-year periods for a maximum total of five (5) years. Each such option and extension shall be exercised at the sole discretion of the CEDB.

Contract Rates

The object of the CEDB is for the Program Administrator to receive compensation through the fees, assessments, and/or interest rates charged to property owners who utilize the PACE Program. The CEDB does not intend to directly provide the administrator with compensation or financial support for the program administration costs. The CEDB is interested in administration fees being capped, with a maximum amount per project, in order to keep the utilization costs of Set the PACE St. Louis as attractive and affordable as possible for property owners.

Scope of Services

The objective is for the Awarded Program Administrator(s) to provide for implementation and administration of the PACE program as outlined below to include program management, marketing and outreach, and financial management. While it is preferable for a respondent to be capable of performing all three roles, either as a single entity or with multiple entities responding as a team, respondents may propose to provide services for one or more of the work tasks.

A detailed outline of the work tasks associated with this RFP includes, but is not limited to, the following:

Program Management Responsibilities

- Adhere to the Set the PACE St. Louis program rules and regulations as outlined in the program manual
- Provide guidance on program policies and procedures
- Correspond the Set the PACE program to the City of St. Louis' Sustainability Plan
 - Identify and report on correlation metrics between the program and Sustainability Plan
- Manage project application intake and processing (in accordance with PACE rules)
 - Receive, review and approve/deny project applications per the standards set forth in the PACE rules
 - Ensure property eligibility
 - Ensure property owner eligibility
 - Ensure project eligibility
 - Ensure measure eligibility
 - Ensure expense eligibility
 - Ensure Energy Audit is completed by a certified licensed professional
 - Notify applicants of approval/denial within ten (10) business days
- Address questions, concerns, and/or protests from project applicants in a timely manner
- Establish and maintain a local presence, including point-of-contact services for mail, telephone, and email for applications and inquiries
- Conduct or ensure adequate professional on-site inspections to verify project installation as appropriate
- Manage contractor application intake and processing (i.e. pre-qualification/certification)
 - Receive, review and approve/deny contractor applications per the standards set forth in the PACE rules
 - Obtain proof that the contractor has all applicable Missouri and City of St. Louis professional licensing, adequate general liability insurance, is bonded, and provides worker compensation
 - Address questions, concerns, and/or protests from contractor applicants within a timely manner
 - Collect and manage contractor participation fees (as determined by administrator and CEDB)
 - Maintain internal list of pre-qualified contractors and make that list available to prospective project applicants (i.e. through the website)
- Maintain Set the PACE St. Louis website, including:
 - Create, maintain, and publish web-based application forms
 - Create, maintain, and update as required FAQ pages for program
 - Publish downloadable versions of all program collateral
 - Maintain and publish list of eligible activities including energy efficiency, renewable energy, and water measures approved by CEDB
 - Create, maintain, and publish “case studies” of successful PACE projects
 - Create, maintain, and publish a list of PACE qualified contractors and active capital providers

Reporting and Communication Responsibilities

- Maintain regular communication with the CEDB
 - Participate in the Board meetings
 - Prepare materials for Board meetings
 - Provide quarterly program performance metric reporting
 - Conduct such other tasks as directed by the CEDB and consistent with the scope contained herein and in the contract
- Prepare Project summary sheets per project for review by the CEDB. The summary sheet should include, but is not limited to: **(See also Exhibit A)**
 - Project Location
 - Lead source
 - Amount of requested PACE financing
 - Total project cost
 - Savings to Investment (SIR)
 - Lender Consent
 - Known incentives (tax credits/rebates)
 - Interest rate on Set the PACE assessment
 - Fees
 - Term of assessment
 - Projected cost savings
 - Projected jobs created by PACE project
 - Projected environmental benefits
 - Energy Audit report: Prepared by: _____ Date completed _____
 - Anticipated primary PACE contractor
 - Local and/or MWBE Firms involved
 - Property owner
 - Primary Developer
 - Funding Source
 - Project description
 - Summary of proposed PACE improvements
- Develop Program Performance Reporting - Provide quarterly performance metric reporting, including but not limited to:
 - Contractor recruitment numbers
 - Detailed marketing efforts
 - Customer contacts
 - Installation numbers
 - Projected energy savings, renewable energy generation
 - Customer complaints and responses
 - Application throughput
 - Total number of assessments
 - Total amount of assessments outstanding
 - Total number of delinquencies
 - Total number of defaulted assessments
 - M/WBE participation
 - Status of defaulted assessments or foreclosures

Marketing, Outreach, and Training Management Responsibilities

- Maintain Set the PACE St. Louis website and program materials for publishing via website
- Create and maintain materials
 - One-page program fact sheets about the program, for varying sectors
 - Outreach materials focused on contractors
 - Outreach materials focused on property owners
 - Outreach materials focused on utilities
 - Case studies highlighting program process flows, successes, etc.
 - Frequently asked questions
 - Press releases for completed projects and other important events
- Encourage, support, and track the M/WBE participation in projects
 - Market to areas and known M/WBE contractors and auditors for participation
 - Make known the City's M/WBE goals for construction projects, and provide a list of current M/WBE certified firms to chosen contractor for potential subcontracts.
- Manage education, training, marketing, and outreach campaigns for each sector:
 - Contractors
 - Property owners
 - Capital Provider
 - Utilities
 - Neighborhood Redevelopment Organizations

Financial Management Responsibilities

- Record Assessing Resolutions and mortgage holder consents for all PACE Projects
- Support Capital Provider as needed in the financial transaction closing process
 - Provide written and verbal guidance to Capital Providers as needed for potential contingencies during closing process.
 - Execute all Capital Provider-focused documentation associated with PACE transactions
- Transaction duties (i.e. calculation, recording, collection, and remittance of assessments, end of lien processing, etc.)
 - Certify and transmit assessment rolls to municipal tax assessors to notify them of transaction details (e.g. amount of special assessment)
 - Record Assessing Resolutions
 - Certify assessment rolls to municipal treasurer
- Manage all associated tracking and reporting

Application Process

Proposal Submission Requirements

Proposals in response to this RFP are to be submitted to:

Otis Williams

**Clean Energy Development Board of the City of St. Louis
1520 Market Street, Suite 2000
Saint Louis, MO 63103**

Seven paper copies of the proposals, in 8.5"x11" letter-size format, and one electronic copy in a PDF format must be received by 3:00 PM on Wednesday, March 18, 2016.

Please limit your responses to the outline provided below. Proposals that do not respond fully to each request may be deemed non-responsive by the CEDB at their discretion. Responses will be scored based on the stated weights of each section, as identified by the number percentage after the section headings below. Please provide the following information in sequence:

1. Qualifications and Experience (40%)

- a. List the name and title of the primary individual or company designated to serve in the role of program administrator, including business mailing address, telephone number, and email address.
- b. Provide relevant biographical information for the personnel who will be assuming the responsibility of the services outlined in the Scope of Services. Please limit response to four or fewer individuals.
- c. Identify subcontractors or partners you anticipate working with, describe your relationship with those subcontractors/partners, identify which section(s) within the Scope of Services they will be responsible for providing, and provide details of each subcontractor's qualifications.
- d. Provide a statement of your knowledge and experience specifically within the St. Louis Metropolitan Area geography, including relationships and business experience with local firms, utilities, funding sources, developers, and other relevant members of the development community.
- e. Provide a narrative and recent examples of your experience performing in each section of the activities listed in the Scope of Services. Please indicate whether experience is with commercial, residential, municipal, or institutional projects.
 - Program Management
 - Marketing and Outreach Management
 - Financial Management

2. Set the PACE St. Louis Program Approach (25%)

- a. Provide a narrative of how your proposed Marketing/Outreach and Training Proposal will help to grow the Set the PACE St. Louis program, including what type of activity generates the greatest return on investment through leads/projects.
- b. Provide a narrative or your proposed plan to conduct Marketing, Outreach, and Training as identified in the Scope of Services. Please include planned media usage type and frequency, materials generated and distributed, and type and frequency of education/outreach activities. ***Note that CEDB does not intend to provide funds or reimburse for costs associated with expenses related to these activities.***

- c. Provide a statement describing your strategy for incorporating residential, municipal, and institutional projects. Explain how you intend to attract funding sources for these projects, barriers you anticipate to initiating these projects, and how you intend to overcome those barriers.

3. Compensation/Fee structure (25%)

- a. Provide a detailed compensation structure comprised of fees, assessments and/or interest rates charged to property owners who utilize the Set the PACE Program based upon the expected costs to administer the program as described in the Scope of Services. Provide detail of each expected cost and how it will be funded through the proposed compensation structure.*
- b. Provide a minimum and maximum (cap) compensation amount allowable for program administration per project, inclusive of all forms of compensation.

***The CEDB does not intend to directly provide the administrator with compensation or financial support for the program administration costs.**

4. Minority and Women-Owned (M/WBE) Business Enterprise Participation (10%)

The City of St. Louis is committed to the growth and development of minority and women owned business enterprises (MBE/WBE). The Mayor's Executive Order #28, (as amended by Executive Order #47) has established goals of 25% MBE and 5% WBE participation for City contracts. It is the policy of the CEDB that MBE/WBE firms shall have an equal opportunity to participate in the performance of Set the PACE projects.

Please provide a statement of how you plan to address this commitment of M/WBE firm participation. This should include both education and outreach efforts, as well as actual M/WBE participation in contractual work.

5. Deviation from Scope of Services

If a respondent cannot, or is not willing to provide certain aspects of the above Scope of Services, please provide a detailed explanation for any deviation from the Scope of Services contained in this RFP. This includes proposing any *additional* services potentially beneficial to the Set the PACE St. Louis Program that may not be listed in the Scope of Services.

Selection Process

The CEDB, or a designated selection committee, will convene to review and score all responses based upon the stated weights of each section. The CEDB, or its designated selection committee, reserves the right to require an interview of respondents at a place and time to be determined by the CEDB or its designated selection committee. Once the successful respondent is selected, the CEDB will notify that respondent, and contract negotiations will begin.

The CEDB reserves the right to modify or eliminate certain criteria or establish further criteria for evaluation of proposals, to require additional submissions, to waive any informality in submissions, to modify its selection process, to reject any or all proposals, and to negotiate with successful respondent.

Questions and Answers

Any questions related to this RFP should be submitted by email to Peter Phillips at phillipsp@stlouis-mo.gov by 5:00 PM on February 29, 2016. All accepted questions and their answers will be posted on the City of St. Louis RFP website <https://www.stlouis-mo.gov/government/procurement.cfm> by end of day March 7, 2016. The CEDB reserves the right to accept, reject, and not respond to any or all questions.

CEDB Responsibility

CEDB is not responsible for representations made by any of its officers or employees prior to the execution of the Contract unless such understanding or representation is included in the Contract.

Truth and Accuracy of Representations

False, misleading, incomplete, or deceptively unresponsive statements in connection with a proposal shall be sufficient cause for rejection of the proposal. The evaluation and determination in this area shall be at the CEDB's sole judgment and his/her judgment shall be final.

RFP Timetable: The timetable for this RFP is as follows:

Event	Date
Release of RFP	February 18, 2016
Questions Due by 5:00 PM (Central Time)	February 29, 2016
Questions and Answers posted online at: https://www.stlouis-mo.gov/government/procurement.cfm	March 7, 2016
Proposals Due by 3:00 PM (Central Time)	March 18, 2016
Selection date (anticipated)	April 8, 2016
Contract negotiation (anticipated)	April 8-30, 2016
Contract Start date (anticipated)	May 1, 2016

Exhibit A – Template Project Summary for CEDB Approval

Set the PACE St. Louis



Project Summary for request for approval to the City of St. Louis CEDB

Project Location:

Lead source:

Amount of requested assessment:

Total project cost:

Savings to Investment (SIR):

Lender Consent

Known incentives (tax credits/rebates):

Interest rate on Set the PACE assessment:

Fees:

Term of assessment:

Cost savings generated by project for project owner:

Projected jobs created by PACE project:

Projected Environmental benefits:

Energy Audit Report Prepared by: _____ Date completed:

Anticipated primary PACE contractor:

Local and/or MWBE Firms involved:

Property owner:

Primary Developer:

Funding Source:

Project description:

Set the PACE St. Louis



Summary of proposed improvements:

Submitted to the City of St. Louis Clean Energy Development Board for approval by _____,
program administrators for Set the PACE St. Louis

Please see attached approval application.